OLR Bill Analysis
sHB 5055

AN ACT ELIMINATING MUNICIPAL MANDATES.

SUMMARY:

This bill authorizes municipalities to delay a revaluation scheduled for the 2013 assessment year for up two years until the 2015 assessment year. It allows a similar delay of up to two years for municipalities phasing-in assessment increases from an earlier revaluation.

The bill (1) eliminates the requirement that municipalities pay to participate in the Department of Motor Vehicles' (DMV) delinquent property tax enforcement program and (2) requires municipalities participating in this program to report property tax delinquencies to the DMV between the first and 15th of each month.

The bill also repeals a requirement that municipalities annually report to the Connecticut Siting Council on the location, type, and height of existing telecommunications towers and existing and proposed antennae subject to local jurisdiction.

EFFECTIVE DATE: July 1, 2014, except for the provision concerning the DMV program, which is effective July 1, 2015.

DELAYING REVALUATION OR PHASED-IN REVALUATION

The bill allows a municipality, by vote of its legislative body, to delay, for up to two years, a revaluation scheduled to be implemented in the 2013 assessment year. Municipalities opting to delay their 2013 revaluations must implement their next revaluation within five years after the date the delayed revaluation takes effect (e.g., if a 2013 assessment year revaluation is delayed until the 2015 assessment year, the next revaluation must occur during or before the 2020 assessment year). The bill also allows a municipality, by vote of its legislative body, to suspend, for up to two years, a current revaluation phase-in.

Presumably, the existing phase-in schedule for a municipality that adopts a one- or two-year suspension may resume after the suspension at the point where the suspension started.

The bill requires the assessor or board of assessors in a municipality that delays a revaluation or suspends a phase-in to prepare a revised grand list for 2013 that reflects the assessments for the 2012 assessment year, subject only to changes in ownership, new construction, and demolitions. The assessor must send to the affected individual's last-known address, notice of (1) any increase in the valuation of real estate over its 2012 valuation or (2) for new real estate, the valuation that will appear on the 2013 grand list. The individual can appeal the increase or valuation during the next regular session of the board of assessment appeals at which appeals may be heard. The bill allows the individual or entity authorized by law to prepare rate bills in a municipality to prepare new rate bills.

DELINQUENT PROPERTY TAX ENFORCEMENT PROGRAM

The DMV's delinquent property tax enforcement program prevents individuals with delinquent motor vehicle or snowmobile property taxes from registering a motor vehicle, snowmobile, all-terrain vehicle, or vessel. Under current law, to participate in this program, municipalities must (1) notify the DMV when a taxpayer is delinquent on his or her motor vehicle or snowmobile property taxes and (2) pay annually their proportionate share, based on population, of the cost to administer the program. The bill eliminates the requirement that municipalities pay to participate.

The bill also specifies that municipal tax collectors must notify the DMV monthly, between the first and 15th, of delinquent property taxes. Under the bill, during a month in which a tax collector fails to provide this information, the DMV is not required to deny registrations or registration renewals. By law, municipal tax collectors must immediately notify the DMV when a taxpayer previously reported as delinquent is no longer delinquent (CGS § 14-33a).

BACKGROUND

Revaluation

The law requires municipalities to tax property based on its fair market value as of October 1 annually. Municipalities begin taxing property based on those values during the next fiscal year. For example, municipalities that revalued property as of October 1, 2012 had to tax it based on those values in the fiscal year beginning July 1, 2013.

Because market values change over time, the law requires municipalities to revalue all property at least once every five years. The law allows municipalities to phase-in some or all of an increase or decrease in a property's assessed value over up to five years.

COMMITTEE ACTION

Planning and Development Committee

Joint Favorable Substitute
Yea 15 Nay 0 (03/12/2014)